From: Patrick Insko
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## To whom it may concern:

In researching the proposed final agreement in the case against Microsoft, I am troubled by the lack of substance regarding the punishment of Microsoft for abusive and illegal monopoly conduct. I add my voice to those who have already gone to great lengths to illustrate concerns over the proposed final agreement. In addition to that, however, I would like to enumerate a few points, from the perspective of a Macintosh user, which I hope will serve to illustrate predatory behavior on the part of Microsoft and offer alternative remedies and penalties:

- 1. Although Apple lost its copyright infringement lawsuit against Microsoft alleging that it had copied the Macintosh OS too closely in Windows, Microsoft has effectively isolated Apple from the marketplace since having obtained a monopoly with Windows. Microsoft has since entered into contracts with OEM's (original equipment manufacturers) that preclude them from shipping another manufacturer's operating system, which is a barrier to entry for Apple to pursue OEM's to which it could license its operating system. Any proposed final agreement should preclude Microsoft from contractually prohibiting OEM's from licensing, shipping, and/or supporting a competing operating system. Furthermore, the settlement should contain measures that would prevent Microsoft from retaliating against OEM's that choose to license, ship, and/or support a competing operating system.
- 2. Microsoft further damages Apple's potential by withholding software, sometimes indefinitely, for the Macintosh. Considering the incredible pace at which the technology industry moves, customers cannot afford to wait many months for software to become available on the operating

system of their choice. As such, customers are often forced to purchase personal computers running Windows in order to be technologically current. Consider that Microsoft's agreement with Apple in which Microsoft agreed to provide upgrades to Office for a period of five years expires this year. If Office were not available for the Macintosh platform, it is widely accepted that Apple would have no chance for survival. Were Microsoft to discontinue Office for Macintosh, it would effectively destroy Apple's viability, and as such would constitute a violation of its monopoly power. Any proposed final agreement should offer protection to competitors such as Apple by requiring Microsoft to continue support for critical applications like Office, in order to preclude those companies from going out of business. It should be recognized that a company that is run out of business as the result of another company abusing its monopoly power no longer has the means to pursue a remedy or recourse.

- 3. Measures must be put in place that would prevent Microsoft from further abusing its monopoly power through its efforts to "embrace, extend, and extinguish." Microsoft has long made it a practice to embrace technologies and standards it regards as potentially lucrative. It then extends the technologies and standards to include proprietary, Microsoft-only additions. Since it has such a vast market share with its operating system, Microsoft is able to force the Microsoft-only technology or standard on millions of customers, which effectively makes the Microsoft version of the technology or standard the one that is overwhelmingly adopted. The inevitable result is that Microsoft's competitors, which in many cases were responsible for the new technologies and standards, are extinguished from the very market they had created. One such example of this abusive and predatory tactic can be found by examining Microsoft's attempts to redefine the standards of Sun Microsystem's Java programming language.
- 4. Perhaps the most notorious and egregious violation of Microsoft's monopoly power was its decision to freely license Internet Explorer once it recognized that Netscape threatened to dominate the new Internet market. The end result, to date, has been to render Netscape unable to profit from its Internet browser in order to compete with Internet Explorer. Microsoft utilized its massive cash reserves to fund the development and free distribution of software in order to decimate a competitor. Any proposed final agreement must prevent Microsoft from using its massive cash reserves to wage a war of attrition against smaller, less advantaged, companies.
- 5. The proposed settlement agreement penalizes Microsoft about one billion dollars, which is a fraction of the amount of cash reserves Microsoft maintains. This dollar amount, examined in the perspective of Microsoft's market capitalization, is roughly the equivalent to the amount of money it would lose if its share price were to drop approximately 0.1%. Any proposed settlement agreement must represent a

realistic penalty to Microsoft's bottom line as a means to deter future abuses of its monopoly power. A more realistic penalty would be twenty billion dollars.

I hope the Department of Justice takes its role seriously in providing adequate and meaningful penalties and remedies in this case. Microsoft has decimated competition in the software industry, and it is the highest imperative that competition be restored for the good of the consumer.

Sincerely,
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